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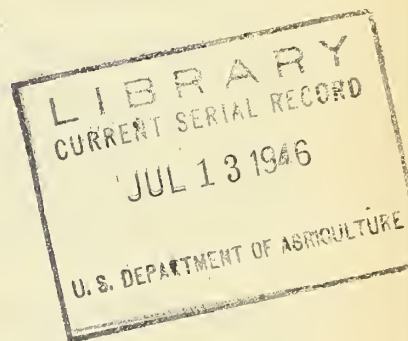


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July 1946

*Marketing*

*Activities*



U.S. DEPARTMENT OF AGRICULTURE  
Production and Marketing Administration

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# More About Air Cargo <sup>1</sup>

How large a slice of our production of agricultural commodities we move to market by air in the years ahead depends on many factors. Three of the most important are (1) the potential volume of agricultural air tonnage, (2) the reduction of flying costs, and (3) the improvement of competing surface transportation methods and equipment.

## Potential Air Cargo

Recently an analysis was made to estimate the potential amount of fruit and vegetable air cargo. The analysis was based on rail shipments of fresh produce moving more than 250 miles to metropolitan areas in the United States, and on dealers' opinions on what part of this traffic might move by air at different rates. Carlot unload figures from 10 sample cities were used. Rates ranged from 3 to 15 cents an air ton-mile for estimated air-cargo potentials. (Air mileage between two cities may be less than rail mileages; this is a consideration when air ton-mile costs are compared with rail-freight ton-mile costs.)

A substantial percentage of the estimated ton-miles of gross traffic in fresh fruits and vegetables was considered to be potential air traffic at 3 cents a ton-mile. Fairly large quantities were indicated at 5 cents. Strawberries, raspberries, and tomatoes were good prospects at 10 cents, and some traffic in each commodity was indicated even at 15 cents. Costs on air freight per ton-mile have been declining during the last 20 years. Aviation authorities have predicted airport-to-airport air-cargo costs of 5 cents a ton-mile, although other estimates have run as high as 10 cents.

It has been estimated that shipments amounting to 5 billion ton-miles are potential cargo for air transportation to the Northeast from the "winter garden"<sup>1/</sup> areas. Not included in the estimate were potatoes, carrots, oranges, and grapefruit, which could not be shipped by air in quantity. Another possibility is the air shipment of perishable sub-tropical fruits from Florida, Texas, and California, and of tropical fruits from South America and the Caribbean islands. Orange or grapefruit juice from domestically produced citrus fruit might be extracted in producing centers, shipped in paper containers, and delivered next morning along with the milk.

Fresh vegetables moving by rail into the United States from Mexico are marketed in midwestern cities from December through May. Vegetables from Cuba and Puerto Rico move by boat to New York City. The 10-day period of the trip tends to impair product quality. Air transport would be feasible for tomatoes, peppers, peas, eggplant, okra, and snap and

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<sup>1/</sup> Western Washington and Oregon, California, southern Arizona, Florida, and the southern, seaboard areas of Texas, Louisiana, Mississippi, Alabama, Georgia, and South Carolina.



lima beans, which now move by train or boat, and would eliminate refrigeration and necessary packaging. Other products could travel even greater distances; for example, fruits, melons, and grapes from Chile and Argentina. If these vegetables and highly perishable tropical fruits were shipped by air rather than by surface transportation, the difference in quality on arrival should partly offset the increased cost of air shipment.

### Reducing Costs

Economies that air shipment makes possible include the use of lighter containers, the elimination of ice, and the elimination of certain packing costs. Containers for air shipments are designed to reduce tare weight and to offer resistance to the elements. Lighter weight containers may be used for air shipments than for surface shipments because air shipments have to stand less strain in transit. Air shipments, however, must be protected against rough handling before loading and unloading. Use of ice is unnecessary for most air shipments; temperatures at flying altitudes are usually low enough to provide satisfactory refrigeration.

Containers capable of protecting against temperature changes and also strong enough to protect consumer packaging are needed for perishable fruits and vegetables. Consumer packages must be designed to avoid shifting of the product, to distribute product weight evenly, and in the sizes to which consumers are accustomed. For these purposes strong, lightweight paperboard packages have been used successfully.

Tomatoes and lettuce are particularly suitable for air shipment. If instead of being shipped green, tomatoes are vine-ripened and transported overnight to northern markets, savings in ripening costs of 2 to 3 cents a pound may result. Lettuce packed with ice for rail shipment cannot be packed into containers in the field but must go through the packing sheds. Lettuce shipped by air could be dry-packed in the field; the avoidance of packing-shed expenses would cut handling costs about a cent a pound. Because air-transportation rates are higher, products should be sorted and cleaned before shipment by air. In one instance, shelled lima beans shipped by air in special bags weighed less than a third of the usual rail shipping weight of lima beans. Even after the cost of sorting and cleaning has been added, this method materially reduces the difference between rail and air freight rates.

The icing of perishables adds considerably to transportation costs. A carload of lettuce requires 10,000 to 20,000 pounds of top ice. In addition it requires about 30 pounds of ice in each crate—about 9,600 pounds to a 320-crate car. Artificial refrigeration in cargo planes probably will be unnecessary if commodities are precooled and if insulated containers and insulating blankets are used to protect products from temperature changes.

Strawberries and tomatoes are popular products for air shipment. For them air transportation charges are about  $6\frac{1}{2}$  cents higher than rail or truck charges. Air charges are higher than rail-express charges by

6 cents a quart on strawberries and 6 cents a pound on tomatoes. Charges vary somewhat with the container size. The cost of transporting vine-ripened tomatoes is estimated at 2 cents a pound higher by air than by surface transportation. Further elimination of waste is likely to reduce this cost difference even more for both tomatoes and strawberries.

Service between a principal producing area and an industrial city offers good possibilities of substantial backhauls of industrial products westward or southward. Production of perishables is steadier in California than in either Florida or Texas. Shipments of lettuce from California and Arizona during the year fluctuate less than shipments of any major fruit or other major vegetable. Carriers may transport the more profitable items during harvesting of these items and fill in with lettuce between seasons.

The quick freezing of fruits and vegetables in the plane has aroused some interest. Under this plan the plane, loaded with produce from the field or from plants where the produce has been prepared for freezing, would ascend to and fly at a zero or subzero temperature level until it reached its destination. The frozen products when unloaded would be stored at a low temperature until sold.

However, the cost of freezing is only a small part of the total expense. Moreover, the method of freezing en route would present packaging problems. Still another drawback is the cost of raising the plane to such a low temperature.

#### Improved Surface Transportation Equipment

Until air-cargo rates can be reduced to the neighborhood of rail and truck rates, airplanes for the most part will haul only those commodities for which speedy transportation is especially important. Air lines must compete with rail and truck lines, which will develop better handling methods and new and improved equipment. This equipment will include lightweight improved refrigerator cars equipped with circulation fans, half-stage icing grates, collapsible bunkers, load dividers, distant-reading thermometers, and improved insulation for cars. Improved coupling will absorb shocks, and perishables will get more efficient handling in terminal and switching yards.

More perishables, it is expected, will be hauled by motortrucks. Improvements for motortrucks include better highway systems, more efficient motors operating on low-cost fuel, and mechanical refrigeration systems thermostatically controlled.

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The Combined Food Board has recommended an interim allocation to the United States of 1,680 short tons of dried figs produced in Turkey for the 1946-47 marketing season.



# Wool Standards

## Why wool standards?

- They provide a common language between the parties in wool transactions and avoid the necessity of purchase either by inspection or by sample.

- Under War Food Order 50, as amended, the Commodity Credit Corporation is the sole purchaser of domestic shorn and pulled wool in the United States, Alaska, and Hawaii. An important factor in the purchase program has been the necessity of teaching producers of American wool to know its value. Under the 1945 program each clip was purchased on its merits.

- When wool is being bought privately, the use of standards helps producers to understand current market quotations and to get a fair return when they sell their wool.

- The higher prices that producers receive for the better grades give them the incentive to improve the quality of their wool.

- Futures trading, participated in by producers, merchants, and manufacturers, would be impossible without standards.

Studies in progress today by the U. S. Department of Agriculture, which conducts research to broaden and improve the standardization of wool, are aimed at setting up standards for all the characteristics that affect wool value.

The need for wool standards was disclosed during World War I when the varied and arbitrary standards then in use made it difficult for the War Department to write specifications for Government purchases. Standards were needed also in the Department of Agriculture's work toward improving wool marketing practices.

The Department of Agriculture gradually developed a set of tentative wool grades that its wool classifiers, cooperating with other agencies, used in actual grading work during the shearing seasons of 1920, 1921, and 1922. Several million pounds of wool were graded on this basis.

Standards for grades of wool, promulgated under the authority of the United States Warehouse Act of 1916, became effective in 1923 after receiving extensive grading tests in the field. The standards adopted were indorsed by different branches of the wool industry. The Department issued official wool standards in 7 grades, based on fiber diameter ranging from fine to coarse. Grades were classified according to the "blood" system.<sup>2/</sup> In 1926 the Department issued official standards for wool and

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<sup>2/</sup> Merino sheep wool was originally the standard of fineness under



wool top comprising 12 grades in each. These standards were correlated with the 7 grades issued in 1923, but the new grades had more subdivisions. This set of standards is known as the numerical classification.

Fine wool under the blood system includes 80s, 70s, and 64s under the numerical system. Half-blood wool includes 60s and 58s; three-eighths blood is 56s; quarter blood is 50s and 48s; low quarter blood is 46s; common is 44s; and braid is 40s and 36s. The larger the number the finer the wool; thus the finest wool (and wool top<sup>3/</sup>) is designated as 80s. Originally this meant that an 80s grade of wool would produce 80 standard hanks (560 yards each) of yarn weighing a total of approximately 1 pound. The numerical system is used in the international wool trade; the blood system in the United States only.

### Wool Standards Act

In 1928, Congress passed an act authorizing the expenditure of certain funds "for the purpose of acquiring and diffusing . . . information relative to the standardization, grading, preparation for market, marketing, utilization, transportation, handling, and distribution of wool, and of approved methods and practices relative thereto, including the demonstration and promotion of the use of grades for wool in accordance with standards therefor which the Secretary of Agriculture is hereby authorized to establish." United States official standards for grades of wool and wool top under this act, which is known as the Wool Standards Act of 1928, and rules and regulations for the distribution of practical forms of wool and wool top standards became effective in September 1931.

In 1939, the Department of Agriculture revised its standards for wool top. Seven grades--80s to 50s--were defined in measurement terms and one new grade was added, a total of eight grades in measurement terms. The lowest five grades in the scale--48s to 36s--continued to be determinable by comparison with practical forms.<sup>4/</sup> Later a method of testing for grade determination of wool in carded form for grades 80s to 50s was issued.

Official standards for grades of wool and wool top are obtainable from the Department of Agriculture at \$10 for a complete set or \$7 for a set covering wool only. Copies of the official standards, samples, or exhibits illustrating the standards, are available in limited quantity

this system. "Fine," "half blood," and "quarter blood" are terms that originally indicated the Merino blood in the sheep producing the wool.

<sup>3/</sup> Wool "top" is wool that has been sorted, carded, and combed. It is ready for spinning into worsted yarn. The process separates the longer fibers from the shorter ones--the "noils"--and results in a continuous strand of straightened, parallel longer fibers that is rolled into a ball. The worsted branch of the industry uses top; the woollen branch uses noils.

<sup>4/</sup> Practical forms are issued in all 13 grades, however.

for loan to Government agencies for official use, or to educational institutions for demonstrational use.

Characteristics that determine the value of wool to manufacturers are fineness (diameter of fiber), staple length, strength, elasticity, crimp, softness, uniformity, color, luster, felting property, and spinning and working properties. Fineness and staple length are particularly important. Raw or "grease" wool must be scoured to remove extraneous matter before it can be used in manufacturing. Scouring results in shrinkage—loss in weight. Although shrinkage is not a grade factor, it must be allowed for when grease wool is appraised.

Wools are identified with the States or the four major regions in which they are produced. Wool produced in any of these regions has characteristics, such as color (varying with differences in soil, grazing, climate), that distinguish it from wool grown in any other region. Among important trade classifications are territory wool, Texas wool, semi-bright wool, bright wool, and southern wool.

"Off" wools are classified as burry, seedy, chaffy, cotted, black and gray, dead or murrain, and tags. Defective to begin with, these wools are further impaired in quality by the severe cleaning processes necessary to put them in usable condition.

The wool grader, working by sight and touch, must be able to detect differences in the diameter of fibers. This requires training, skill, and judgment. If grading at the point of origin should become the general practice, use of a single standard for wool grades would become necessary to make the wool in each grade uniform. By familiarizing themselves with the degrees of fineness and staple length that go with each of the seven common grades, wool growers will be better able to judge the value of the wool they produce.

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#### SHIP SUPPLIERS AUTHORIZED TO PURCHASE CHEDDAR CHEESE AND DRY SKIM MILK

Authorized ships' suppliers may be considered as designated agencies under WFO 15, the Cheddar cheese set-aside order, according to an amendment to the order by USDA effective June 10. The action applies to suppliers authorized by the War Shipping Administration.

Similar action was taken in an amendment to WFO 54, which provides for the setting aside of spray and roller process nonfat dry milk solids. This amendment also is effective June 10.

Purpose was to facilitate the purchase of Cheddar cheese and dry skim milk in the small quantities needed by ships' suppliers, and so avoid the necessity for purchase, stockpiling, and resale of these products to ships' suppliers by WSA.



## WFO'S 75.3 AND 75.4 REVISED

Revised set-aside provisions affecting pork and pork products and veal were announced by USDA on June 7. The revisions--in line with those announced May 31 on beef--were designed to facilitate purchases of meat for foreign relief programs and to clarify the set-aside and delivery provisions of WFO 75.3 (pork and pork products) and WFO 75.4 (veal).

Amendments to the two orders, effective June 9, provide:

1. Federally inspected and certified slaughterers must set aside each week, and hold in reserve for Government procurement agencies, a fixed percentage of their weekly production of pork and lard and veal of specified grades, and certify the physical set-aside of each week's requirement. Previously, such certification was not required.
2. Federally inspected and certified slaughterers, beginning June 23, 1946, must deliver to Government procurement agencies a quantity of pork and lard and veal equal to that required to be set aside in the third previous week. The provisions previously required that delivery be made of the set-aside amount in the week after it was set aside. This change was made because of the time lag involved in obtaining packaging materials and to allow sufficient time for the actual processing and packaging of the meat.
3. Federally inspected and certified slaughterers must make up all deficits in deliveries of set-aside amounts not later than June 22, 1946. This extends the date from June 15. The time extension will make possible completion of arrangements for delivery of deficits.
4. If a slaughterer affected by the orders fails to deliver or prepare for delivery the required set-aside quantities, the administrator of the Production and Marketing Administration may direct delivery to a governmental agency of the set-aside pork or pork products and veal at any stage of preparation. In such cases, the administrator or the agency involved may take steps for completing the preparation of the meat and charge the expense incurred to the slaughterer originally required to make the delivery.

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## USDA TO BUY FROZEN EGGS FOR U. K.

A program for the purchase of approximately 32 million pounds of frozen eggs for the United Kingdom was announced by USDA early in June. The total requirement calls for nearly 36 million pounds, but it may be filled in part with frozen eggs purchased earlier this year by the Department under price-support operations. The entire quantity will be used for distribution to commercial bakers and other food manufacturers in England.



# There's Plenty of Fish

On June 1 last year U. S. stocks of frozen fish stood at 40½ million pounds. A year later, on the first of last June, frozen fish stocks had reached an estimated 86 million pounds. With Army and Navy requirements for fresh and frozen fish down and the shipment of frozen fish for foreign relief impracticable, there is plenty of fish today for American consumers. Moreover, it looks as if 1946 as a whole would be a good fishing year. Fishermen are returning from the services every day, and more and better boats and other fishing equipment will be available from military supplies.

Americans have never been big fish-eaters. Our annual consumption of 13 pounds per capita compares with 35 pounds in England and Wales, for example, and with 52 pounds in Sweden.

More attractive and convenient merchandising of high-quality products would sharpen the American appetite for seafood. Further development of the self-service retail store should increase fish sales. A long step toward gaining the consumer's confidence would be the packaging of frozen seafood of standardized quality and weight, and the selling and advertising of the products under brand names. This step would also tend to level out the distribution of fish and shellfish, increase consumption, and reduce variations in price.

The public may need to learn that frozen fish is simply fish with its original freshness sealed in. In fact, quite frequently frozen fish reaches the consumer in better condition than fresh fish. And while it is true that frozen packaged fish costs the consumer a little more a pound than fresh fish, there's another important difference: all the frozen fish is edible.

## USDA Activities

Today, as in the war years, the U. S. Department of Agriculture is cooperating with the fish industry to get full use of available supplies of fresh and frozen fish. Through its Abundant Foods program, in which the Department has the cooperation of famine relief committees, county home demonstration and farm agents, nutritional groups, and through the press and the radio, the public is getting better acquainted with the abundance and nutritive value of fish.

In its industrial feeding program the Department joins forces with managers and dietitians of cafeterias and restaurants in industrial plants to provide plant employees with the means of getting a better balanced diet. Under the industrial feeding program more than 20 million pounds of fish and shellfish are eaten annually in industrial plants.

The school lunch program administered by the Department has also increased the national consumption of seafood, and recent legislation will permit the use of even more fishery products on school menus.

Here is a 7-point program that would move a lot of fishery products:

1. Conduct a national program to improve the quality of fresh and frozen fish--possibly through a system of grades and standards similar to that used in the meat industry.
2. Service the retail outlets so as to assure consumers adequate supplies of quality seafood and to give retailers the incentive to handle more fish by reducing handling costs and loss through spoilage.
3. Make a national survey of market outlets for fish, a study of per capita consumption by areas, and a study of obstacles to expanded markets.
4. Stress the nutritive values of fishery products through a national advertising program, particularly in areas where per capita consumption is low. Make available more information on how to cook fish.
5. Make prepackaged fishery products attractive to consumers by using colorful containers and wrappers that bear recipes and menus.
6. Make the most of the latest technological improvements, and assist in developing better processes.
7. Encourage the establishment of fishery schools at appropriate educational institutions, for teaching fish production, processing, and distribution.

By areas and kinds, these are the fresh and frozen fish in greatest supply in July:

New England	Cod, Haddock, Pollock, Mackerel, Whiting, Rosefish, Lobsters, Flounders
Middle Atlantic	Cod, Whiting, Mackerel, Sablefish, Butterfish, Blackbacks, Haddock, Croakers, Lake Herring, Lobsters, Hard Clams
South Atlantic	Cod, Mullet, Groupers, Red Snappers, Scup, Sea Trout, Whiting
North Central, East	Pickrel, Sheepshead, Yellow Pike, Catfish and Bullheads, Cod, Whiting, Rosefish, Lake Herring, Lake Trout, Whitefish
North Central, West	Cod, Rosefish, Whiting, Lake Herring, Tullibee
South Central	Mullet, Black Drum, Cod, Whiting, Sea Trout, Hard Crabs
Pacific	Salmon, Sablefish, Halibut, Flounders, Smelt, Lingcod, Barracuda, Crabs

## NEW CANNED MEAT PROVISIONS ISSUED

Revised measures designed to obtain more canned meat needed for foreign relief requirements within the following few weeks were announced June 5 by USDA, and a new war food order (WFO 75.9) was put into effect on June 6 to replace the canned meat set-aside order (WFO 75.8).

WFO 75.9 provides that federally inspected meat slaughterers and canners may not produce canned meat for civilian consumption unless they deliver to governmental agencies 60 percent of each week's total output of canned meat. Delivery must be made not later than 2 weeks following the week of production.

The provisions of the order apply to the finished net weight of all meat canned by federally inspected slaughterers and meat canners. Canned meat is defined as any canned food which contains 20 percent or more of meat or meat byproducts. Excluded from the order are vinegar pickled meat in glass, canned soup, mincemeat, tamales, chow mein, chop suey, ravioli, meat extract, infant and junior foods. The order administrator is authorized to specify the type of canned meat products needed for delivery to governmental agencies.

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## CATTLE AND CALF SLAUGHTER QUOTAS DECREASED

The quota percentage on the number of cattle and calves that federally inspected packers may kill under the slaughter control program has been decreased from 100 to 85 percent of the base period. The action was taken by USDA on June 3.

Department officials said the action was necessary because the number of cattle and calves going to market since the program went into effect on April 28 had been smaller than anticipated. Reduction of the quota percentage was designed to obtain better distribution of the supply of animals being marketed.

The action decreases the total live weight of cattle and calf slaughter permitted by federally inspected slaughterers from 100 to 85 percent of the amount of each class of livestock they slaughtered during any accounting period of 1944.

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Effective May 20, 1946, the marketing agreement and order program designed to regulate the handling of mature onions grown in the State of Colorado was terminated by USDA.



# Early Potato Prospects

The early potato crop this season—to September 1—is expected to reach an all-time high of 70 to 75 million bushels. Good potato growing weather has helped the prospect. Another big help has been the 24,000-acre increase in plantings mostly in high-yielding areas. (In California, for example, an acre often produces three times as many potatoes as an acre in the East.) These early potatoes are more perishable than late-crop potatoes, and normally they should be consumed within a month after they are dug. To move the crop quickly to consumers calls for the cooperation and challenges the marketing know-how of potato producers and distributors, the carriers, and Government agencies.

## Production Seasons

Early potato production begins first in Florida, Alabama, Louisiana, Texas, and California. In May, potatoes from the Carolinas, Georgia, and Mississippi hit the market. California production spirals in June, when Virginia and North Carolina marketings mount rapidly.

This year production in the winter and spring States is estimated at 7,674,000 bushels, as against 5,740,000 bushels in 1945 and a 10-year average of 4,211,000 bushels. Practically all these potatoes were marketed by May 15.

The yield in the late spring group of States, estimated at 44 million bushels, is considerably above last year's record of 36 million bushels and almost twice the 10-year average of 25 million bushels.

In July, the New Jersey, Maryland, Missouri, Kansas, and Nebraska potatoes come into production. The summer group of States is expected to yield 22 million bushels under the same goal as last year. The 1933-44 average for this summer group was 20 million bushels.

Production will overlap in July and August when a large volume of potatoes will be available from early areas in the late group of States—New York (Long Island), Nebraska, Colorado, Oregon, Washington, and Idaho.

Potato production areas in this country may be divided roughly into three groups—the East, the Midwest, and the West (including the Mountain and the Pacific Coast States). Potatoes from New Jersey, Maryland, Virginia, the Carolinas, Georgia, and Florida are marketed principally in the Eastern States. Potatoes from Alabama, Mississippi, Tennessee, Kentucky, Missouri, Arkansas, Louisiana, Texas, Oklahoma, Kansas, and Nebraska are generally marketed in the Midwestern States, although some of the crop goes to the East. The Arizona crop goes mostly to the West with a portion to the Midwest. The California crop supplies the west coast, most of the Mountain States, helps out considerably in the Midwest, and about 20 percent of it moves to New York City between April and August.

From April through September this year, rail potato shipments from early commercial States probably will total around 85,000 cars. In addition, there will be truck shipments, local supplies, and rail shipments from late States during July and August.

The Carolinas, Florida, Alabama, and Louisiana sent heavy shipments this May. Virginia, North Carolina, Arizona, and California are principal shippers among the States that are expected to ship about 27,000 cars in June. California is a big producer; the Bakersfield areas alone will produce almost 30 million bushels of Long White potatoes (about 35,000 carloads), principally during May and June. In July a large volume of home-grown potatoes will move by truck, and about 14,000 cars by rail.

### Outlets

It is estimated that U. S. civilians will consume 60 to 65 million bushels of early-crop potatoes without any special promotion. The remaining 10 to 15 million bushels will go a long way toward making up for domestic shortages of the grain and other foods that this country is now sharing with famine-stricken areas. To promote maximum utilization of the early crop, every possible agency and organization is being asked to assist in moving the plentiful supply into normal food channels.

Exports to Canada from May 1 to July 1, before the early Canadian crop is available, are expected to total about 1 million bushels. Exports to other nearby countries from May 1 to September 1 should also amount to about 1 million bushels. No exports are scheduled for UNRRA. Potatoes grown along the east coast are not suitable for export to Europe unless they are precooled and shipped under refrigeration. Moreover, facilities are lacking abroad for keeping the potatoes in good condition.

The brewing and distilling industry could absorb all the available surpluses of fresh and dehydrated potatoes at prices higher than other diversion outlets would pay. But most of these purchases would still be lower than support prices.

Dehydration of early potatoes has not been very successful. Of the early-crop potatoes, those from Kern County, Calif., are the most suitable for dehydration. Late potatoes dehydrate best.

The pack will be very small. Tinplate is scarce, and no allocation has been made for canning potatoes.

The manufacture of potato starch for use in textile mills has been another outlet for surplus potatoes. Although early southern potatoes are low in starch content, a few cars have been shipped to starch plants.

Some early potatoes may be used for livestock feed in California, but this use is unlikely elsewhere. Prices that feeders would pay would probably be lower than prices of potatoes for conversion into starch or alcohol.



## Price Support

Support prices for potatoes are expected to be 5 cents per hundred-weight below 1945 support prices. F. o. b. shipping point prices for U. S. No. 1 grade sacked and loaded will average about \$2.25 per hundred-weight. Freight on these potatoes will average about 70 cents, ranging from 20 cents to \$1.30 per hundredweight.

Early potatoes are expected to retail at  $3\frac{1}{2}$  to 5 cents per pound—about the same prices as those in effect last spring and summer. Potato prices, which will probably be at or near the support level most of the season, are expected to reach the low point during August and September.

In areas where a Government support program is operating, growers and shippers must keep culls and low-grade potatoes off the market. This prohibition assures handlers and consumers a high-quality product.

Last year, when there was a 65-million-bushel crop of early potatoes, the Government under its price-support program had to buy only 3,000 cars out of a total 69,000 cars of potatoes. This year it will be to our advantage to use our abundant potatoes for food, and it seems likely that we shall be able to use more this year than last because there is an acute shortage of grain and other staples.

In spite of the plentiful supply, some temporary shortages of potatoes may result from the difficulty of obtaining cars or from harvesting delays due to weather conditions. East of the Mississippi River, there may not be enough ice to protect some of these carloads from spoilage.

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### 1946 LOAN PROGRAM FOR GRAIN SORGHUMS

A loan program on 1946-crop grain sorghums has been announced. It will enable farmers to obtain funds immediately on their grain sorghums stored on farms and in warehouses against future needs.

The loans will be made to farmers by the Commodity Credit Corporation on a note-and-chattel-mortgage basis for grain sorghums stored on farms and on the basis of a note-and-loan agreement when stored in approved warehouses.

The loan rates for farm-stored grain sorghums grading No. 2 or better will vary from \$1.67 to \$2.21 per 100 pounds by specified counties and States.

The loan rates per 100 pounds for No. 2 or better grain sorghums at terminal basic markets are: \$2.00 at Missouri River markets (Kansas City and Omaha); \$2.12 at Memphis and St. Louis; and \$2.24 at Los Angeles and San Francisco.



## CALIFORNIA RICE SET-ASIDE CHANGED

Beginning June 1, California rice millers have been allowed full set-aside credit for all shipments of brown and milled rice to Puerto Rico and the Virgin Islands, but set-aside credit on shipments to Hawaii is reduced to 10 percent.

Since April 1, California millers have been allowed a set-aside credit of not more than 10 percent against their monthly set-aside requirements for shipments to Puerto Rico and the Virgin Islands and 22.5 percent for shipments to Hawaii.

Purpose of the action, taken May 31 in an amendment to WFO 10, was to bring shipments to these islands into line with authorized allocations. Shipments to Puerto Rico and the Virgin Islands had been below the quantities allocated to them, whereas shipments to Hawaii had exceeded allocations.

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## PROTEIN MEAL, SOYBEAN CONTROLS TIGHTENED

Controls over the bartering of protein meal and soybeans were tightened on June 10 through amendment to WFO 9. Purpose was to keep these products moving in normal trade channels.

The amendment provides that no person during any calendar month shall receive or direct the delivery of more protein meal, whether by purchase and sale, trade, barter, gift, loan, exchange, or otherwise, than the total quantity of meal he received during the corresponding month of 1945.

It also prohibits purchases of more soybeans than the buyer's manufacturing, processing, or seed sales requirements for the following periods: (1) 1945-crop soybeans, period ending October 10, 1946; (2) 1946-crop soybeans, period ending October 10, 1947.

The amendment provides that no country shipper, terminal elevator operator, soybean trucker-merchant, or other person engaged in buying and selling soybeans, shall purchase or accept delivery of soybeans, or contract to purchase or accept delivery of soybeans, in any quantity which will cause his inventory of soybeans plus all quantities included in contracts to purchase to exceed his delivery requirements under existing contracts with processors, soybean product manufacturers, seed dealers, and the Commodity Credit Corporation, plus 2,000 bushels.

The restrictions were designed primarily to prevent the trading of soybeans for meal, since this disrupts the normal pattern of soybean meal distribution.

## ABOUT MARKETING:

The following addresses and publications, issued recently, may be obtained upon request. To order, check on this page the publications desired, detach, and mail to the Production and Marketing Administration, U. S. Department of Agriculture, Washington 25, D. C.

### Addresses:

"The Amazing Interlude," by Clinton P. Anderson, Secretary of Agriculture, at Atlantic City, N. J. June 5, 1946. 11 pp. (Mimeographed.)

The National School Lunch Program--A Challenge and an Opportunity, by Robert H. Shields, Administrator, Production and Marketing Administration, at Chicago, Ill. June 18, 1946. 7 pp. (Mimeographed.)

Progress in Cottonseed Quality and Grading Research, by William J. Martin and Henry L. Thomas, Cotton Branch, PMA, at Memphis, Tenn. May 29, 1946. 16 pp. (Mimeographed.)

### Publications:

Harvesting the Hay Crop. FM 57. (Bureau of Agricultural Economics) April 1946. 22 pp. (Multilithed.)

Fertilizers and Lime in the United States. MP 586. (United States Department of Agriculture) May 1946. 94 pp. (Printed.)

Prewar World Production and Consumption of Plant Foods in Fertilizers. MP 593. (United States Department of Agriculture) April 1946. 56 pp. (Printed.)

Foreign Food Production, Current Prospects for 1946-47. PA-14 (summary only) (United States Department of Agriculture) May 1946. 4 pp. (Multilithed.)

Home Freezing of Fruits and Vegetables. AIS 48. (United States Department of Agriculture) May 1946. 24 pp. (Printed.)

Tentative United States Standards for Grades of Frozen Peaches. (Effective June 30, 1945) 10 pp. (Mimeographed.)

Amendment to Tentative United States Standards for Grades of Frozen Peaches. (Effective June 1, 1946) 1 p. (Mimeographed.)

Supplement to Tentative United States Standards for Grades of Frozen Peaches. (Effective June 1, 1946) 3 pp. (Mimeographed.)

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